

HOUSE BILL NO. 171

INTRODUCED BY COHENOUR

BY REQUEST OF THE DEPARTMENT OF REVENUE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT CONFORMING WITH FEDERAL INCOME TAX LAW BY
6 EXTENDING THE DUE DATE FOR FILING A MONTANA INDIVIDUAL INCOME TAX RETURN BY A PERSON,
7 AND BY THE PERSON'S SPOUSE, SERVING IN A COMBAT ZONE OR A CONTINGENCY OPERATION;
8 CLARIFYING THE DEFERMENT OF TAXES FOR A PERSON IN MILITARY SERVICE; AMENDING SECTION
9 15-30-313, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
10 APPLICABILITY DATE."
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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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14 **Section 1.** Section 15-30-313, MCA, is amended to read:15 **"15-30-313. Soldiers' and sailors' relief Deferment of taxes for person in military service -- filing**

16 **of return.** (1) The collection from ~~any a~~ person in the military service, as defined by ~~the Soldiers' and Sailors'~~
17 ~~Civil Relief Act of 1940, effective October 17, 1940~~ section 511 of the Servicemembers Civil Relief Act, 50 APP.
18 U.S.C. 511, as amended ~~October 6, 1942~~, of ~~any the~~ tax ~~prescribed by the state on the income of such person~~
19 ~~imposed by 15-30-103~~, whether ~~falling~~ due prior to or during ~~his the~~ person's period of military service, ~~shall~~ must
20 be deferred for ~~a period extending~~ not more than ~~6 months~~ 180 days after the termination of ~~his the~~ person's
21 period of military service if ~~such the~~ person's ability to pay ~~such the~~ tax is materially impaired by reason of ~~such~~
22 military service.

23 (2) ~~No interest~~ Interest and penalty on any amount of tax, ~~collection of which that~~ is deferred for any
24 period under ~~this section and 15-30-314 or this section~~, and ~~no penalty for nonpayment of such amount during~~
25 ~~such period shall~~ may not accrue for ~~such the~~ period of deferment by reason of ~~such~~ nonpayment. The running
26 of any statute of limitations against the payment of ~~such the~~ tax by any lawful means ~~shall~~ must be suspended
27 for the period of military service of any ~~individual~~ person for whom the collection of ~~such the~~ tax is deferred under
28 this section and for an additional period of 1 year beginning with the day following the period of military service.

29 (3) In accordance with the provisions of section 7508 of the Internal Revenue Code, 26 U.S.C. 7508,
30 the individual income tax return of a person, and the person's spouse, serving in a combat zone or participating

1 in a contingency operation is due on or before 180 days after the time of disregarded service plus the
2 disregarded period of qualified hospitalization attributable to an injury suffered while serving in the combat zone
3 or contingency operation."

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5 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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7 **NEW SECTION. Section 3. Retroactive applicability.** [This act] applies retroactively, within the
8 meaning of 1-2-109, to tax years beginning after December 31, 2003.

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